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Pension Board Membership Bill Stalls in Council

By Ann E. Marimow Washington Post Staff Writer Thursday, July 3, 2008; GZ03

An effort to expand the role of local labor unions in overseeing Montgomery County's \$3 billion employee retirement system appears headed for a quiet death.

County Council President <u>Michael Knapp</u> (D-Upcounty) said this week that there are no plans to revive a measure that would increase the number of union representatives on the system's investment board from three to five.

A council committee sided with the unions last month, but when the issue came before the full council, members expressed reservations and asked for more time to gather information.

The issue probably won't resurface before the clock runs out on the bill. Under council rules, legislation expires if the council does not act within 18 months, in this case by Oct. 8, 2009. By keeping the issue off the agenda, the council will avoid having to take an up or down vote on the politically charged topic.

"At this point, it's just deferred indefinitely," Knapp said. "There's nothing scheduled, and I don't anticipate it being scheduled."

The bill was proposed by County Executive *Isiah Leggett* (D) as part of the labor agreement negotiated with the county's largest public employees union. Union leaders had sought additional representation on the board to have more oversight of their members' retirement investments. The measure would also make the president of the Municipal and County Government Employees Organization a permanent member of the panel.

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The council's top adviser, *Stephen Farber*, warned against the expansion, saying that "politics and pension funds are a toxic mix" and that the board needs "investment experts, not bargaining experts."

Representatives for retired county employees also argued against such a move, saying it would weaken the roles of retirees, nonunion workers and taxpayers, who contribute about 87 percent of the funding for the nearly \$3 billion system.

"There were enough folks who had legitimate concerns," Knapp said. "I don't think anybody saw a need to take any other action."

That leaves council member <u>Duchy Trachtenberg</u> (D-At Large) as perhaps the best hope for the provision. Trachtenberg said she is seeking an independent review of how other local governments

structure oversight of public retirement funds.

Until 2004, Montgomery's investment board had nine members: one union representative, one retiree representative, one nonunion employee representative, two public trustees with investment experience and four senior county managers. Four years ago, then-County Executive <u>Douglas M. Duncan</u> agreed to add two more union members and two more public members, for a total of 13 on the board.

"I do think we need to reexamine it," she said. "I'm trying to find something that works for everybody."

For Retiring Aoyagi, A Farewell and a Grilling

To mark the retirement of the county's homeland security director, *Gordon Aoyagi*, there were commemorative hats, a keepsake county plate and a reception at the Glenview Mansion in Rockville.

One week later, on Aoyagi's way out the door, there were pointed questions, head-shaking and sighs of disappointment from County Council members who grilled him at a public safety committee meeting last Thursday on a communications failure after the June 15 water main break that disrupted service for thousands of Montgomery residents.

Some council members seemed particularly ticked that during an earlier council briefing, Aoyagi had not mentioned the breakdown in the county's emergency e-mail system. Most council members learned of the failure in a newspaper account the next day.

The e-mail alert system, which has 14,000 subscribers, was not used because the two employees who know how to send the alerts were out of town.

Council member <u>George L. Leventhal</u> (D-At <u>Large</u>) asked why Aoyagi had not informed the council of the problem when council member <u>Nancy Floreen</u> (D-At Large) mentioned the e-mail system as a tool for reaching residents.

"I had the impression that people understood that there were some problems," Aoyagi said. "Was it my obligation to, at that point in time, have told the council? Perhaps, in retrospect." Aoyagi said he thought the council planned to take up the issue at a subsequent session.

That answer did not appear to satisfy Leventhal. "In the future, when department heads are asked questions by council members," he said, "I would hope that council members would get full and complete answers."

Leventhal's antennae went up again when Aoyagi talked about the county's reverse 911 calling system, which was not used at the time of the water main break because of technical and financial constraints. Aoyagi suggested that part of the decision was a judgment call about whether to wake residents in the middle of the night.

But it was unclear whether Aoyagi was talking generally or about the water emergency. He had just finished telling the council that the advisory to residents to boil water for consumption was issued at 6 a.m., and Leventhal again thought he was being given the runaround.

"Either we're going to get straight, accurate information," Leventhal said, "or the relationship between the council and the [county] executive is going to get a whole lot worse."

Leggett spokesman <u>Patrick Lacefield</u>, who also took questions from the council last week, said Aoyagi was speaking hypothetically. He said that the administration was able to communicate with residents through the media and other means and that it should not be judged by the failure of one tool.

Aoyagi's 23-year tenure, which wrapped up Monday, included stints as chief of transit services, assistant chief administrative officer, fire administrator and head of homeland security.

Katz to Lead Md. Municipal League

Gaithersburg's longtime mayor, <u>Sidney Katz</u>, has been elected president of the Maryland Municipal League, the association that represents the state's 157 cities and towns. Katz, who was first elected mayor in 1998, has served on the group's executive committee since 2004. He was elected during the group's convention last week in Ocean City.

Katz said in a news release that he looks forward to working with local leaders "to empower and enrich the experiences of those who serve on what I consider to be the front lines of democracy."

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